

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SEC  
Mail Processing  
Section

MAR 01 2013

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

KW 3/8

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	April 30, 2013
Estimated average burden hours per response..... 12.00	

SEC FILE NUMBER
8-53701

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/2012 AND ENDING 12/31/2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: SGC SECURITIES, LP

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

107 FORREST AVENUE, STE 11

(No. and Street)

NARBERTH

PA

19072

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

JONATHAN SELF

404-410-7932 (ext 105)

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

RUBIO CPA, PC

(Name - if individual, state last, first, middle name)

900 CIRCLE 75 PARKWAY, SUITE 1100

ATLANTA

GA

30339

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

☒ Certified Public Accountant

☐ Public Accountant

☐ Accountant not resident in United States or any of its possessions.



13013921

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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CM  
3/9/13

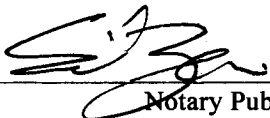
## OATH OR AFFIRMATION


I, JONATHAN SELF, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of SGC SECURITIES, LP, as of DECEMBER 31, 2012, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

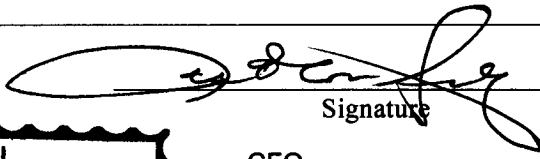
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\_\_\_\_\_

  
Notary Public



  
Signature

CFO  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

**SGC SECURITIES, LP**  
**Financial Statements**  
**For the Year Ended**  
**December 31, 2012**  
**With**  
**Independent Auditor's Report**

**INDEPENDENT AUDITOR'S REPORT**

To the Partners  
SGC Securities, LP

**Report on the Financial Statements**

We have audited the accompanying financial statements of SGC Securities, LP which comprise the statement of financial condition as of December 31, 2012 and the related statements of operations, partners' equity, and cash flows for the year then ended, and the notes to the financial statements that are to be filed pursuant to Rule 17a-5 of the Securities Exchange Act of 1934.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

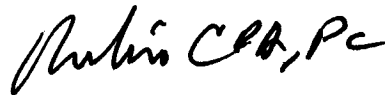
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SGC Securities, LP as of December 31, 2012 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Supplemental Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the Schedules I, II and III is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

February 14, 2013  
Atlanta, Georgia

A handwritten signature in black ink, appearing to read "Rubén C. P. C.", written in a cursive style.

RUBIO CPA, PC

**SGC SECURITIES, LP**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2012**

**ASSETS**

Cash and cash equivalents	\$ 49,811
Accounts receivable	25,407
Prepaid expenses	<u>17,779</u>
Total Assets	<u>\$ 92,997</u>

**LIABILITIES AND PARTNERS' EQUITY**

<b>LIABILITIES</b>	
Accounts payable	\$ 6,734
Commissions payable	5,032
Reserve for chargebacks	<u>11,000</u>
Total Liabilities	<u>22,766</u>
<b>PARTNERS' EQUITY</b>	
	<u>70,231</u>
Total Liabilities and Partners' Equity	<u>\$ 92,997</u>

The accompanying notes are an integral part of these financial statements.

**SGC SECURITIES, LP**  
**STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2012**

**REVENUES**

Commissions	\$ 621,360
Interest income	492
Other	<u>53,498</u>

Total revenues	<u>675,350</u>
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**GENERAL AND ADMINISTRATIVE EXPENSES**

Guaranteed payments to partners	586,030
Commissions	217,586
Occupancy	14,472
Communications	1,222
Other operating expenses	<u>37,863</u>

Total expenses	<u>857,173</u>
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NET LOSS	<u>\$ (181,823)</u>
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The accompanying notes are an integral part of these financial statements.

**SGC SECURITIES, LP**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2012**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net loss	\$ (181,823)
Adjustments to reconcile net loss to net cash used by operations:	
Operating expenses paid by partners	2,976
Increase in accounts payable	3,057
Increase in prepaid expenses	(3,662)
Increase in accounts receivable	(16,870)
Decrease in employee advances	25,000
Increase in commissions payable	3,082
Decrease in reserve for chargebacks	(39,000)
Decrease in due to related company	<u>(1,950)</u>

NET CASH USED BY OPERATING ACTIVITIES (209,190)

NET DECREASE IN CASH AND CASH EQUIVALENTS (209,190)

**CASH AND CASH EQUIVALENTS BALANCE:**

Beginning of year	<u>259,001</u>
End of year	<u>\$ 49,811</u>

**SUMMARY OF SIGNIFICANT NON-CASH FINANCING ACTIVITIES:**

Capital contributions primarily arising from forgiveness of amounts owed pursuant to expenses sharing arrangement	<u>\$ 1,976</u>
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The accompanying notes are an integral part of these financial statements.



**SGC SECURITIES, LP**  
**STATEMENT OF CHANGES IN PARTNERS' EQUITY**  
**For the Year Ended December 31, 2012**

	<u>Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance, December 31, 2011	\$ 476,054	\$ (226,976)	\$ 249,078
Non-cash capital contributions	2,976		2,976
Net loss	<u>                    </u>	<u>(181,823)</u>	<u>(181,823)</u>
Balance, December 31, 2012	<u>\$ 479,030</u>	<u>\$ (408,799)</u>	<u>\$ 70,231</u>

The accompanying notes are an integral part of these financial statements.

**SGC SECURITIES, LP**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2012**

**NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Description of Business: The Company is a registered broker dealer originally organized as a corporation that was reorganized as a partnership in 2005. The Company is registered with the U.S. Securities and Exchange Commission, the securities commissions of appropriate states and a member of the Financial Industry Regulatory Authority. The Company's principal business is brokerage of life insurance products.

Cash and Cash Equivalents: The Company considers all cash and money market instruments with a maturity of ninety days or less to be cash and cash equivalents.

The Company maintains its bank balances at high credit institutions. Balances at times may exceed federally insured limits.

Income Taxes: The Company is a partnership for tax reporting purposes. Therefore, income or losses of the Company flow through to its owners and no income taxes are recorded in the accompanying financial statements.

The Company has adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FASB ASC 740-10). Under this Interpretation, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

The Company, which files income tax returns in the U.S. federal jurisdiction and various state jurisdictions, is no longer subject to U.S. federal income tax examination by tax authorities for years before 2009.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Date of Management's Review: Subsequent events were evaluated through February 14, 2013, which is the date the financial statements were available to be issued.

**SGC SECURITIES, LP**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2012**

**NOTE B — NET CAPITAL**

The Company, as a registered broker dealer is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2012, the Company had net capital of \$31,895, which was \$26,895 in excess of its required net capital of \$5,000 and its ratio of aggregate indebtedness to net capital was .71 to 1.0.

**NOTE C — RELATED PARTY TRANSACTIONS**

The Company had an expense sharing agreement with a related company that was terminated effective May 1, 2012. Under the agreement, rent and other employment and administrative expenses incurred by the related company were allocated monthly to the Company based on the percentage of time spent by officers and employees on the Company's business. During the year ended December 31, 2012, the Company paid approximately \$2,000 to the related company under the agreement.

Effective June 1, 2012, the Company entered into a lease for new office space and entered into a new expense sharing arrangement with three related entities whereby the Company charges the related entities monthly fees for use of premises, personnel and other administrative costs. The monthly fees are determined based on time spent by the Company's personnel on tasks for the related entities. During the year ended December 31, 2012, the Company received approximately \$43,000 pursuant to the arrangement that is included in other revenue in the statement of operations.

Financial position and results of operations would differ from the amounts in the accompanying financial statements if these related party transactions did not exist.

**NOTE D – LEASE COMMITMENT**

The Company leases office premises under an operating lease that expires May 2015. Rent expense for office premises for 2012 was approximately \$13,760.

The Company's commitment under the office premises operating lease is approximately the following:

2013	\$ 20,000
2014	20,000
2015	<u>8,000</u>
Total	<u>\$ 48,000</u>

**SGC SECURITIES, LP**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2012**

**NOTE E- CONTINGENCIES**

The Company is subject to litigation in the normal course of business. The Company had no litigation in progress at December 31, 2012.

## **SUPPLEMENTAL INFORMATION**

**SCHEDULE I**  
**SGC SECURITIES, LP**

**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION ACT OF 1934**  
**AS OF DECEMBER 31, 2012**

**NET CAPITAL:**

Total partners' equity	<u>\$ 70,231</u>
Less nonallowable assets:	
Prepaid expenses	17,779
Accounts receivable	<u>20,557</u>
	<u>38,336</u>
Net capital before haircuts and fidelity bond	31,895
Less haircuts	<u>-</u>
Net capital	31,895
Minimum net capital required	<u>5,000</u>
Excess net capital	<u>\$ 26,895</u>
Aggregate indebtedness	<u>\$ 22,766</u>
Net capital based on aggregate indebtedness	<u>\$ 1,518</u>
Ratio of aggregate indebtedness to net capital	<u>.71 to 1.0</u>

**RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL INCLUDED**  
**IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2012**

There is no significant difference between net capital in Part IIA of Form X-17A-5 and net capital as computed above.

**SGC SECURITIES, LP**

**SCHEDULE II  
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2012**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the Rule.

**SCHEDULE III  
INFORMATION RELATING TO THE POSSESSION OR CONTROL  
REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2012**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the Rule.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL ACCOUNTING CONTROL  
REQUIRED BY RULE 17a-5**

To the Partners of SGC Securities, LPC

In planning and performing our audit of the financial statements of SGC Securities, LP, for the year ended December 31, 2012, we considered its internal control structure, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including test of compliance with such practices and procedures) followed by SGC Securities, LP, that we considered relevant to the objective stated in Rule 17a-5(g). We also made a study of the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the procedure for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company related to the following: (1) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13; (2) in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System; and (3) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

The management of the Company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2012 to meet the Commission's objectives.

This report recognizes that it is not practicable in an organization the size of the Company to achieve all the division of duties and cross-checks generally included in a system of internal accounting control, and that alternatively, greater reliance must be placed on surveillance to management.

Page 3

This report is intended solely for the use of management, the Securities and Exchange Commission, the New York Stock Exchange and other regulatory agencies which rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers and should not be used for any other purpose.

February 14, 2013  
Atlanta, Georgia

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RUBIO CPA, PC

**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON  
PROCEDURES RELATED TO AN ENTITY'S SIPC ASSESSMENT  
RECONCILIATION**SEC  
Mail Processing  
Section

MAR 01 2013

To the Partners of SGC Securities, LP

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2012, which were agreed to by SGC Securities, LP and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating SGC Securities, LP compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). SGC Securities, LP's management is responsible for the SGC Securities, LP's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries noting no differences;
2. Compared the Total Revenue amounts of the audited Form X-17A-5 for the year ended December 31, 2012, with the amounts reported in Form SIPC-7 for the year ended December 31, 2012, noting no differences;
3. Compared adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences;
5. Compared the amount of the overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

February 14, 2013

A handwritten signature in black ink, appearing to read "Rubio CPA, PC", written in a cursive, stylized font.

RUBIO CPA, PC

**SIPC-7**

(33-REV 7/10)

**SECURITIES INVESTOR PROTECTION CORPORATION**

P.O. Box 92185 Washington, D.C. 20090-2185

202-371-8300

**General Assessment Reconciliation****SIPC-7**

(33-REV 7/10)

For the fiscal year ended December 31, 20 12  
 (Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

SGC Securities, LP  
 107 Forrest Avenue  
 Suite 11  
 Narberth, PA 19072

FINRA  
 53701  
 December

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Jonathan Self, 404-410-7932

2. A. General Assessment (item 2e from page 2)

\$ 0

B. Less payment made with SIPC-6 filed (exclude interest)

( 0 )

                      
 Date Paid

C. Less prior overpayment applied

( 4,258 )

D. Assessment balance due or (overpayment)

-4,258

E. Interest computed on late payment (see instruction E) for        days at 20% per annum

0

F. Total assessment balance and interest due (or overpayment carried forward)

\$ -4,258

G. PAID WITH THIS FORM:

Check enclosed, payable to SIPC  
 Total (must be same as F above)

\$                     

H. Overpayment carried forward

\$( 4,258 )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

SGC Securities, LP

(Name of Corporation, Partnership or other organization)

*Jonathan Self*

(Authorized Signature)

Dated the 31 day of January, 20 13

CFO

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Dates:

                      
 Postmarked

                      
 Received

                      
 Reviewed

Calculations                     

Documentation                     

Forward Copy                     

Exceptions:

Disposition of exceptions:

**WORKING COPY**

# DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period  
beginning January 1, 20 12  
and ending December 31, 20 12  
Eliminate cents

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 675,350

**2b. Additions:**

(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.

0

(2) Net loss from principal transactions in securities in trading accounts.

0

(3) Net loss from principal transactions in commodities in trading accounts.

0

(4) Interest and dividend expense deducted in determining item 2a.

0

(5) Net loss from management of or participation in the underwriting or distribution of securities.

0

(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.

0

(7) Net loss from securities in investment accounts.

0

Total additions

0

**2c. Deductions:**

(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.

675,350

(2) Revenues from commodity transactions.

0

(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.

0

(4) Reimbursements for postage in connection with proxy solicitation.

0

(5) Net gain from securities in investment accounts.

0

(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.

0

(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).

0

(8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

0

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ 0

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ 0

Enter the greater of line (i) or (ii)

0

Total deductions

675,350

2d. SIPC Net Operating Revenues

\$ 0

2e. General Assessment @ .0025

\$ 0

(to page 1, line 2.A.)